

***CalWORKs and FOOD STAMP DATA SYSTEMS DESIGN  
TASKFORCE  
Systems Maintenance Unit (SMU)***

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**TRANSMITTAL NUMBER: 02-04 (FS)**

**April 30, 2002**

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**TO:** All Field Operations Bureau and Performance Measurement  
Counties QC Staff

**SUBJECT/PURPOSE:** Negative Case Review Procedures

**RELATED REFERENCE:** FNS-310 chapters 13 and 17; ACL 02-17; Transmittal 02-01

**SUPERSEDES:** Transmittal 01-03(F)

**EFFECTIVE DATE:** March 2002 sample month

**BACKGROUND:**

The purpose of this transmittal is to consolidate into a single document information pertaining to negative case reviewability and error analysis, including a flow chart and examples to illustrate reviewability based upon sample selection criteria. In addition, this transmittal includes information relative to the impact on reviews of the Notice of Missed Interview (NOMI) and the Request for Information (RFI). Finally, because implementation of the NOMI voids the FNS waiver allowing the denial to be valid if it is done before the 30<sup>th</sup> day, Example 4 in Transmittal 01-03(F) is revised to reflect this change.

**NOTE:** This transmittal is to be used IN CONJUNCTION WITH chapters 13 and 17 in the FNS Handbook 310.

**CASE REVIEWABILITY:**

Negative case actions consist of denials, terminations, and suspensions. The case is considered as terminated when the household does not receive a full month's allotment authorized in the sample month for the sample month or the household receives a prorated allotment in the sample month because of deliberate county action. The household is suspended when it is eligible for \$0 benefits, receives benefits because it has requested a fair hearing, or it is ineligible for benefits but the case has not been terminated.

When determining if a case has been terminated or suspended, remember that the review date (the date that the decision is made by the county) can determine the first month for which the action is effective. For example, if the review date is April 13, the suspension or termination is effective May 1. However, if the review date is April 23, benefits must be issued for May because of the ten-day notice requirement (see M.S. 63-504.26). Therefore, even though the review date is in April and the effective month is June, the case is still subject to review. (See the list of examples at the end of this transmittal and the accompanying flowchart for additional assistance in determining reviewability based upon decision dates.) See FNS 310 Section 1320 for the criteria for cases that are not subject to review.

NOTICE OF MISSED INTERVIEW (DFA 386)  
(M.S. 63-300.45(a), 63-301.32, and 63-301.34)

The county welfare department (CWD) must now send a Notice of Missed Interview (NOMI) when the household fails to attend its first scheduled interview. The household has the responsibility of rescheduling the interview. The denial for missing the initial interview cannot be effective before the 30<sup>th</sup> day from the date of application. (The household can still be denied prior to the 30<sup>th</sup> day if it attends the initial interview, fails to provide verification, and is then sent a ten-day denial notice.)

REQUEST FOR INFORMATION (DFA 387)  
(M.S. 63-300.51(b))

The CWD must now send this notice to the household prior to issuing a termination notice when the household's circumstances are unclear or when the household needs to provide verification(s). When the CWD receives unclear information from either the household or a third party, it must notify the household of the verification that is needed, and/or the actions it must take to clarify the circumstances. If the household fails to respond within the required ten days by phone or in writing, or refuses to provide sufficient information to clarify the circumstances, the CWD must then send the Notice of Action to the household terminating the case.

NOTE: These procedures do not change the monthly reporting process.

ERROR ANALYSIS

The decision to deny, suspend, or terminate is valid (correct) so long as it is based on ANY correct reason. Therefore, when the stated reason is invalid, look to see if there is any other basis for the action. The decision is invalid ONLY IF no correct valid reason can be found.

Examples

1. Valid Suspension. The household is suspended because of receipt of an additional paycheck. The reviewer confirms and documents that the income makes the household temporarily ineligible. The county's decision is correct, so this is a valid suspension.
2. Invalid Suspension. Same situation as above, but the reviewer determines that there was a calculation error so the household is still eligible. The reviewer finds no other correct reason for the negative action. The suspension is invalid.
3. Invalid Suspension, Valid Case. Same situation as in example 2 above (the household appears to be eligible), but the reviewer discovers and verifies that all household members were correctly disqualified for the period that included the sample month. Even though the suspension is invalid, there is no error because there is a correct valid reason for the negative action.

4. Invalid Denial. The household applied March 21 and did not appear for its March 28 interview. The county sent the NOMI on March 30 advising the household that it must reschedule the interview. The denial notice was sent to the household on April 16. This is an invalid denial because the denial cannot occur until the 30<sup>th</sup> day.

NOTE: If the household had attended the interview but then failed to provide verification, the county could send the denial notice before the 30<sup>th</sup> day, so long as the household has ten days to respond. Thus, in this example, the denial notice would have to be dated April 10 or earlier in order to be a valid denial. In addition, if this was a recertification, the denial notice and NOMI could be combined.

5. Valid Termination. The household's February CW-7 was received on April 5, and the CWD determined that the household had failed to provide verification of its income from employment. A Request for Information was sent on April 8, which allows the household ten days (until April 18) to provide this information. The information is received on April 19. The Notice of Action terminating the case is sent April 20. This is a valid termination because the household did not respond within ten days to the Request for Information.

#### **HOLD HARMLESS PERIOD**

There is a hold harmless period for the NOMI and Request for Information provisions. This period is from March 1 through June 28, 2002. See Transmittal 02-01 for the related review procedures.

#### **INSTRUCTIONS:**

Use the preceding information and examples to determine if the case is reviewable and, if so, the validity of the county's decision.

All QC case files shall include the following documentation:

- a) Q5I worksheet print-out;
- b) county budget documents showing the discontinuance or continuance of benefits for the sample month;
- c) county notice(s) of action (including the NOMI or Request for Information) or other documents reflecting the negative action (remember that the notice need not be timely for the action to still be valid);
- d) where appropriate, other documents or reports (such as IEVS or the signed application), pay stubs, receipts, and/or chron notes so long as such documentation clearly shows the basis of the negative action; and
- e) any other documentation that supports the reviewer's conclusion.

If there is no documentation supporting the negative action and the validity of the action cannot be established through a collateral contact, the decision is invalid.

NOTE: The reviewer MAY obtain information from collateral contacts when adequate verification is not in the case record; see FNS-310 Section 1350.

## **ATTACHMENT**

**INQUIRIES:** Michael Bowman-Jones  
Program Analyst

***Original Signed by Joeana Carpenter***

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**JOEANA CARPENTER, CHIEF  
CalWORKs and FOOD STAMP DATA SYSTEMS  
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## **FOOD STAMP REVIEWABILITY EXAMPLES**

**EXAMPLE #1:** Termination on September 2001 sample list. This termination is not from Los Angeles County. Case file showed termination decision was made in August and effective August 31st. No food stamps were issued for September in September. This is a reviewable termination.

**EXAMPLE #2:** Same circumstances as in EXAMPLE #1 except that the case file showed that the termination was rescinded and full FS benefits were issued for September in September. This is not a reviewable termination and should be coded NSTR.

**EXAMPLE #3:** Same circumstances as in EXAMPLE #1 except that case reapplied for FS in late September and was approved in late September for prorated FS for September. This is a reviewable termination.

**EXAMPLE #4:** Termination on September 2001 sample list. Case file showed termination decision was made on July 25th. Full FS benefits were issued for August in August but no FS were issued for September in September. This is a reviewable termination.

**EXAMPLE #5:** Termination on September 2001 Los Angeles sample list. Case file showed that termination action date was September 5th and effective date was September 30th. This is a reviewable termination.

**EXAMPLE #6:** Denial on September 2001 Los Angeles sample list. Case file showed a denial action date of August 29th. Since the denial occurred after the September main payroll file was produced, the denial falls in the September fiscal month and is reviewable.

**EXAMPLE #7:** Denial with September 24th action date on September 2001 San Bernardino sample list. Case file showed single denial with a September 21st decision date. This is a reviewable denial.

**EXAMPLE #8:** Denial with August 2001 action date on October 2001 sample list. Case file showed a single denial with August 2001 action date. This is a reviewable denial.

**EXAMPLE #9:** Denial on September 2001 sample list. There is a single denial in the case file but the case file reason code and action date do not match the reason code and action date on the sample list. If the case file action date of this denial occurs in the sample month, this is a reviewable denial.

**EXAMPLE #10:** Denial with September 21<sup>st</sup> action date and reason code 900 on the Butte county September 2001 sample list. Case file showed four denials with action dates in September and each denial with a reason code of 900. The action dates of the four denials were September 4, 5, 7, and 15. The September 15 denial is reviewable because its case file action date is closest to and prior to the action date on the sample list.

**EXAMPLE #11:** A denial from Alameda County is selected for the March sample. The casefile shows two denials, one with a February 22<sup>nd</sup> action date, and the other with an action date of February 25<sup>th</sup>. This should be dropped as NSTR.